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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

ROBERT L. MORGAN  
Executive Director

LOWELL P. BRAXTON  
Division Director

Supervisor 10274

### Inspection Report

#### Minerals Regulatory Program

Report Date: September 1, 2004

**Mine Name:** Lisbon Valley Project

**Permit number:** M/037/088

**Operator or Permittee Name:**

**Inspection Date:** July 1, 2004

SUMMO USA Corp.

**Permittee Mailing Address:**

1776 Lincoln Str., Ste. 900, Denver, CO 80203

**Inspector(s):** Paul Baker

**Participants:** No others with whom I spoke.

**Inspection Start Time:** Abt. 1:45 PM

**Inspection End Time:** Abt. 2:45 PM

**Weather:** Mostly clear, 80's

**Site location/Area Inspected (i.e. Pit #):**  
Exploration operations near the GTO and  
Centennial Pits

**Permit Status:** Active

**Surface Ownership:** Private, BLM,  
SITLA

**Current Acreages:**

**Mineral Ownership:** Private, BLM,  
SITLA

**Total Permitted (Bonded):** 19

**Mineral Mined:** Copper

**Total Disturbed:** About 12 acres

**Type of Mine:** Surface

Elements of Inspection	Evaluated	N/A	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (open shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Explosives, magazines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Demolition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Backfilling and Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Inspection Summary:**

1. Permits, Revisions, Transfer, Bonds

Since this inspection, the Division has approved two amendments, one for additional exploration near the Sentinel Pit and one for a laydown area for the crusher. In addition, the operator and the Division have been working toward a new cost estimate for the mine.

10. Backfilling and Grading

I examined all of the sites that were permitted in December 2003 and drilled this past spring. Of these, one hole has been completed as a well (Photo 1), and one hole (94G-4) has not been plugged, but the rest have been plugged as far as I can tell.

Near 4R-13, I found a hole with a yellow flag and a piece of lathe labeled S18 (Photo 2). This appears to be a drill hole that collapsed, but it does not appear to be the operator's responsibility.

Two drill rigs were in the Centennial Pit at the time of the inspection, but I did not closely examine these operations (Photo 3).

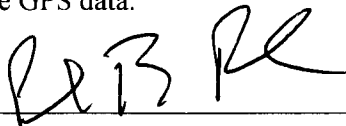
15. Other

Near the Centennial Pit, there was some equipment covered by a large tent which I thought at the time was probably associated with some road construction. It turns out that the operator's contractor cleared an area, brought in a crusher and put it down, and erected the tent to cover it. This activity was not permitted, but shortly after I returned from the trip, the Division received a call from the operator's representative apologizing for the permitting oversight and offering to quickly submit an amendment (including a bond) to cover this disturbance. This has been completed.

**Directions to the site:** The site is in the south end of Lisbon Valley.

**GPS data:** I did not take GPS data.

**Inspector's Signature**



**Date:** September 1, 2004

PBB:jb

cc. Greg Hahn, Summo

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**ATTACHMENT**  
**Photographs**  
**M/037/088, Lisbon Valley Project, SUMMO USA Corp.**  
Inspection Dated: July 1, 2004; Report Dated: September 1, 2004



**Photo 1. Drill hole near the reclaimed Wood Mine that was completed as a water well.**



**Photo 2. Hole labeled S18. This hole was not plugged but does not appear to be the operator's responsibility.**



**Photo 3. Drill rig in the Centennial Pit.**